GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:3438
ANSWERED ON:11.12.2000
SUBSIDY TO FARM SECTOR
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Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government propose to do away with the subsidies given to the farm sector in the near future;

(b) if so, the amount and percentage of subsidy given to farm sector as on date; and

(c) the items covered under the present scheme and programmes of farm subsidy?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTUR(SHRI SHRIPAD Y. NAIK)

(a): No, Sir.

(b)&(c): As intimated by Central Statistical Organisation, the details of itemwisesubsidies provided to Agriculture Sector during the last four years i.e. from 1996-97 to 1999-2000 are annexed. The percentage share of Agriculture Sector subsidies to the total share of Agriculture and Allied Sector in GDP at current prices during the year 1996-97 and 1997-98 was 7.16% and 7.11% respectively.

Annexure

DETAILS OF SUBSIDIES TO AGRICULTURE SECTOR

(Rs. Crore)

Item	1996-97 (Actuals)	1997-98 (Revised)	1998-99	1999-2000
Subsidy to agriculture sector through inputs				
1 Fertiliser (Total)	7578	9918	11596	13250
1.1 Indigenous fertiliser	4743	6600	7473	8670
1.2 Imported fertiliser	1163	722	333	80
1.3 Sale of decontrolled Fertiliser with concession to farmers	1672	2596	3790	4500
2 Electricity ++	8356	6210	N.A.	N.A.
3 Irrigation ##	9117	10284	10880+	N.A.
4. Other subsidies given to marginal farmers in the form of seeds, dev. of oil seeds, pulses and farmers co-op societies etc.	917	1124	N.A.	N.A.

Source: 1. Fertilisers: Expenditure Budget 2000-2001, Vol.I of Central Government

2. Electricity and Irrigation: Central Statistical Organisation.

Note N.A. Not Available.
++ Electricity includes all subsidies to Electricity Boards and Corporations. Separate estimates of electricity subsidy accountable exclusively to agricultural sector is not available.

The rates for supply of water to farmers are kept low as a matter of policy, resulting in losses to the Government irrigation system. The excess of operating costs over the gross revenue is treated as imputed irrigation subsidy Quick estimate.